

GREGORY S. BELL

Lieutenant Governor

State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA Division Director

March 10, 2011

Ken May, General Manager Canyon Fuel Company, LLC 597 South SR24 Salina, Utah 84654

Subject: Construction of West Lease Portals, Canyon Fuel Company, LLC., Sufco Mine,

C/041/002, Task #3739

Dear Mr. May:

The Division has reviewed your application to construct two new concrete tunnels to access the West Lease Area of the mine.

The Division has determined that there are some deficiencies that must be addressed before a determination can be made that the requirements of the R645 Coal Mining Rules have been met, and an approval can be granted. Those deficiencies are listed as an attachment to this letter.

Each deficiency identifies its author by that author's initials in parentheses; such that your staff can directly communicate with that individual should any questions arise relative to the preparation of Canyon Fuel Company's response to that particular deficiency.

Please also note that under the requirements of R645-301-525.700, a notification to the water conservancy district and any other surface owners/occupants above the proposed underground workings is required, per this regulation six months prior to the onset of mining. Please copy the Division on this correspondence.

The plans as submitted are denied. Please resubmit the entire application.

Sincerely,

James D. Smith Permit Supervisor

JDS/AAA/sqs Attachment cc: Price Field Office O:\041002.SUF\WG3739\3739DEFICIENCIES.DOC



Deficiency List Task No. 3739

Task Name: Construction of West Lease Portals

The members of the review team include the following individuals:

April A. Abate (AAA) – no deficiencies Priscilla Burton (PB) Pete H. Hess (PHH) – no deficiencies James C. Owen (JCO)

- R645-301-528 and/or R645-301-232.200, Please describe the storage location and handling plans for the fill removed from the pad and whether the material will be sampled, stockpiled and seeded for use in final reclamation as substitute topsoil. (PB)
- R645-301-121.100, (1) Please update Plate 5-5 Existing Surface and Subsurface Facilities and Features map which has not been updated since 2007 and does not include the West Lease acquisition. (2) The two construction drawings accompanying the application should be included in the MRP using the C2 form. (PB)
- R-645-301.526 The applicant must include a complete description/narrative of the tunnels and associated facilities within the engineering section of the MRP text. The narrative must explain the construction, modification, use, maintenance and removal details of the tunnels and associated facilities. Also, the MRP text should be changed/modified/updated in terms of facilities that are to be removed. (JCO)
- R-645-301.528 The applicant must include a complete description/narrative of the new coal storage bin within the engineering section of the MRP text. The narrative must explain the construction, modification, use, maintenance and removal details of the new coal storage bin. (JCO)
- R-645-301.551 The applicant must modify the appropriate section of the MRP text to include a commitment to seal and backfill the new tunnels and ventilation shaft according to R-645-301.551. (JCO)